

Testimony of AARP on Governor Rell's March 1, 2010 Deficit Mitigation Plan Appropriations Committee March 11, 2010

AARP is a nonprofit, non-partisan membership organization that serves people 50 and older. We have approximately 40 million members nationwide and nearly 600,000 in Connecticut. On behalf of our members, AARP again asks our leaders to remember the people behind the budget numbers and reject short-sighted proposals that attempt to balance the budget deficit on the backs of our most vulnerable residents, especially when those cuts are unlikely to save real dollars in the long-term. The Governor's latest deficit mitigation proposal recycles some of the harmful cuts that AARP has consistently opposed. Specifically we have concerns about her recommendations to: establish Medicaid co-pays; change the definition for medical necessity; eliminate non-emergency dental care; and eliminate coverage of prescription eyeglasses.

AARP Opposes the Proposed Cost-Sharing Requirement for Medicaid

Asking our most vulnerable residents to pay a new cost-share for Medicaid, will jeopardize health care outcomes for Medicaid beneficiaries and cost the state more in the long-term. In January, the *New England Journal of Medicine* published a study documenting the affect of higher co-pays on Medicare patients. The study shows that even a small increase of just a few dollars, is counterproductive in containing costs. Cost-sharing results in fewer doctor visits, skipped medications and increased hospital stays, often requiring more costly care; "For every 100 people enrolled in plans that raised co-pays, there were 20 fewer doctor visits, 2 additional hospital admissions and 13 more days spent in the hospital in the year after the increase compared to those in plans whose co-pays did not change."

Since Medicaid enrollees are lower income than those on Medicare, the impact of co-pays would be even greater for Medicaid enrollees. Medicaid co-pays may raise revenue in the short-term, but will likely increase total health care expenditures over time and result in poorer health outcomes for patients. AARP asks members of the Appropriations Committee to reject the Governor's proposal to add Medicaid co-pays.

Definition of Medical Necessity

AARP has consistently raised concerns about changes to the definition of medical necessity. Last year as part of the State Budget, the General Assembly established the Medical Inefficiency Committee to review the definition of medical necessity and recommend changes that would improve efficiency while also protecting approximately 450,000 vulnerable Medicaid enrollees. A bill is currently under consideration before the Human Services Committee (H.B. 5296, An Act Concerning the Definition of Medical Necessity), which incorporates the recommendations and work of the Medical Inefficiency Committee. AARP recommends that legislators consider

¹ Alicia Chang, *Increased patient cost-sharing may hurt elderly*, Boston Globe, January 27, 2010.

the work that emerged from the Medical Inefficiency Committee before adopting the Governor's changes to the definition of Medical necessity.

Harmful Cuts to Dental and Eyeglasses Coverage under Medicaid

AARP is very concerned with the Governor's proposed elimination of non-emergency dental care for adults under Medicaid and SAGA.

The lack of dental services for the indigent, and especially for older poor people, was in 2000 characterized as a "silent epidemic" by the then-Surgeon General of the United States. Poor people suffer more severe tooth loss than their wealthier counterparts and older people are increasingly susceptible to losing their teeth as they age. AARP believes the Governor's proposed cut in dental services is shortsighted.

Studies document the profound deleterious effects toothlessness has on health, economic status, and social activities; denying Medicaid enrollees non-emergency dental services risks dooming those individuals to lifetimes of medical problems, joblessness, and social isolation that the State will ultimately pay for in other ways.

There is growing evidence that poor oral health may cause or contribute to serious medical problems including diabetes and cardiovascular disease. Studies have shown that bacteria from chronic gum infections can enter the bloodstream and damage the heart and other organs. Researchers are also looking into the connection between various gum disease and inflammation in artery lining. When the artery lining becomes inflamed, blood clots form and can cause a heart attack.

In fact, a study from Columbia University's College of Dental Medicine and Aetna insurance company concluded that non-emergency dental services may actually reduce total health care costs. The study tracked 145,000 individuals with diabetes, coronary artery disease or stroke and found that the medical costs associated with those conditions were lower among individuals that sought early treatment for periodontal disease, than those that went without the treatment.

Additionally, AARP opposes the elimination of coverage for eyeglasses for individuals receiving Medicaid. Vision is critical to conducting activities of daily living, is a portal for language, and affects developmental learning, communicating, working, health, and quality of life.

For low-income adults on Medicaid, the cost of prescription eyeglasses is simply out of reach. Many in need of corrective lenses (for driving and other daily and work-related tasks) will be forced to forgo eyeglasses because they are unaffordable. Eliminating coverage of eyeglasses is shortsighted and will impose another costly burden on those who are already struggling to make ends meet in this economy.